Targeting, Aligning and Measuring Learning Solutions with a Business-Oriented Approach

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Introduction

The following outlines a methodology for approaching the identification of training needs, aligning a solution, and establishing a measurement plan in the context of the business.

The need for learning solutions just doesn't emerge by itself. Learning solutions arise when a specific business driver calls for a behavior modification. Typically, that behavior change is articulated as a skill set or competency. The business situations that call for those skills and competencies might include:

1. Decreasing expenses
2. Increasing sales and revenue
3. Improving profitability
4. Improving efficiency
5. Eliminating bottlenecks
6. Improving customer satisfaction
7. Improving employee morale
8. Improving our relationship with suppliers
9. Launching a new product
10. Strengthening your company image
11. Expanding market share
12. Increasing capacity
13. Improving your levels of service
14. Diversifying into new areas
15. Attracting new customers
16. Differentiating yourselves from the competition
17. Reducing staff requirements
18. Displacing competition
19. Increasing your priority with your customers
20. Improving internal communication

Regardless of the business driver, the key to partnering with your internal customers to address these initiatives lies within your approach. This methodology encompasses a six-step process for conducting a needs analysis, alignment of a solution, and the outline of a measurement plan in a business-oriented fashion. The six steps are:

1. Identify the business driver and partner with stakeholders.
2. Agree on the business need.
3. Establish the desired business outcomes with success criteria.
4. Determine the necessary behavior changes.
5. Align the learning solution.
6. Develop a data collection plan.

Step 1: Identify the Business Driver and Partner with Stakeholders

Before identifying business drivers and working with stakeholders, it is important to understand that typical organizations ideally communicate direction using a top-down approach.

Part of the CEO's job is to take information and direction from the company's Board, and articulate that in the form of a business vision. Rarely does the CEO define the implementation strategy. Rather, the CEO communicates the vision and the high-level business drivers to the executive team.

Each member of the executive team is responsible for part of that vision and is affiliated with specific business drivers. It is the executive team's job to dissect the vision into the divisional goals and then define a strategy for achieving those goals. This strategy (or business plan) is presented to the CEO for approval. Once approved, that plan is communicated to department leaders, directors and managers.

The department leaders then take the business plan and further dissect it into departmental initiatives. These initiatives, if effective, will achieve the goals in the business plan.

These department leaders might approach you with a statement such as, "We need to improve the manufacturing performance metrics of cycle time, quality and cost. So, we need you to design and deliver a training course on Total Quality Management (TQM)." The premise of this thinking is that if the manufacturing associates understood the concept of TQM, then productivity would improve and the department goal of improving manufacturing performance would be achieved. The next step in this thinking is that if the department goal is properly aligned, it will support achieving the strategic vision of the company.

Identifying Business Drivers

Often, business drivers are so highly visible that it is relatively easy to identify them. Perhaps your CEO has hosted a web conference to explain to the employees that the company is about to launch a new product line. In another scenario, the EVP of Human Resources might have announced a workforce reduction in a town hall meeting. Maybe the Sales AVP has detailed a need to differentiate the company through your new service models.

In other cases, the business drivers may not be readily evident. A variety of resources can assist you in defining the key drivers within your organization. Helpful information may be found in the following:

- **Annual reports**—If your company is publicly traded, an annual report is produced to inform shareholders about past performance and future direction.
- **Quarterly reports**—While annual reports offer a wealth of great data, they only come out once a year, so the information can get a little stale. If you are nine or ten months past the annual report publication date and you need more recent data, quarterly reports offer a great solution.
- **Shareholder briefings**—Frequently, a publicly traded company will conduct quarterly meetings to review revenue metrics and operational performance.
- **Operational reports**—Statistics regarding operational performance are often highlighted in an operational status report.
- **Articles and press releases**—What is your company talking about? Often what is newsworthy is also aligned with the vision of the CEO and the business drivers.
- **Internal publications and newsletters**-- What are the new buzzwords and hot projects? Where is your organization focusing its dollars and resources? This is another excellent way to begin to define the business drivers.

It is important to have a basis of understanding of the key business drivers before you approach the stakeholders or before they approach you.

Preparing for the Stakeholder Meeting

As you plan for your stakeholder meeting, it would be beneficial to define your stakeholder's "What's in it for me?" (WIIFM) proposition. When you request a meeting, explain that you are in the process of consulting with various business leaders in the organization to define the learning solutions required to deliver on the company's XYZ objective (the business driver). Add that you would like to establish a partnership that will benefit the stakeholder in specific ways. The purpose of your initial meeting will be to identify the business needs and the value associated with impacting that need.

You may use the following table to plan your stakeholder invitation approach:

Business Driver	
Stakeholder	
WIIFM Benefit 1	
WIIFM Benefit 2	
WIIFM Benefit 3	

Step 2: Agree on the Business Need

When you meet with your stakeholder, your purpose will be to agree on the business need and the value of impacting that need. Interview the stakeholder to determine which pieces of the corporate vision they are responsible for executing. Ask the stakeholder about the business plan for achieving that vision so that you can understand the greater context.

Keep in mind that business needs focus on the operational goals and initiatives of the organization. There are two types of business needs: problems and opportunities.

> *Business problems* define a gap between what should be occurring operationally and what is actually occurring at the present time. Alternatively, a business problem can occur when someone in management feels "pain" about the deviation and is motivated to address the problem. Examples could be excessive waste, low sales, high production costs, or reduced customer satisfaction ratings.
>
> *Business opportunities* focus on a future operational goal. No current problem needs to be fixed. Instead, an opportunity needs to be optimized. Examples of opportunities can occur when two companies merge and a return is expected with such a large investment. Or perhaps a company is bringing a new product into the marketplace, providing an opportunity that can be maximized.

(Adapted from "Performance Consulting: Moving Beyond Training" - Dana Gaines Robinson and James C. Robinson, Berrett-Koehler Publishers © 1996)

NOTE: Remember to emphasize to these executives the purpose behind requesting the meeting with them. Explain your goal is to better align learning solutions to their key initiatives.

As you consult with each stakeholder, keep in mind that the question you are trying to answer right now is "what are the business problems or opportunities that could hold us back from achieving the corporate vision?", not "what training needs to take place".

Ask your stakeholders what success means to them. This is the **value** in positively impacting the business need, the information you will be reporting back to your stakeholders.

When you are given a business need, ask quantifying questions such as:

- Increased revenue? → By how much? In which areas?
- Improved quality? → Improved how?
- Reduction in turnover? → What percent reduction?
- Improved morale? → Improved how?
- More satisfied customers? → In what way?

Through these questions, you should be able to define the value associated with impacting the business need and set the stage for success criteria in step three.

You may use the chart below to track your conversations:

Business Need	Business Need Owner	Link to corporate vision	Business Problem or Opportunity?	Value of Impacting	Consequences of Not Impacting

As you conclude the initial meeting with the stakeholder, specify that the next steps will be to determine the desired business outcomes and behavioral changes (steps three and four).

Managing Expectations

During this initial meeting with your stakeholder, it is critical to set expectations. Proper implementation of a learning solution takes effort. It is important that you manage your stakeholder expectations regarding the deliverables and ability to see results. Those aspects of the process will become more apparent in steps three through six.

It is not realistic to assume that behavioral changes from learning solutions will impact the business driver in a month, but it is also not likely your stakeholders will be willing to wait a year to see results.

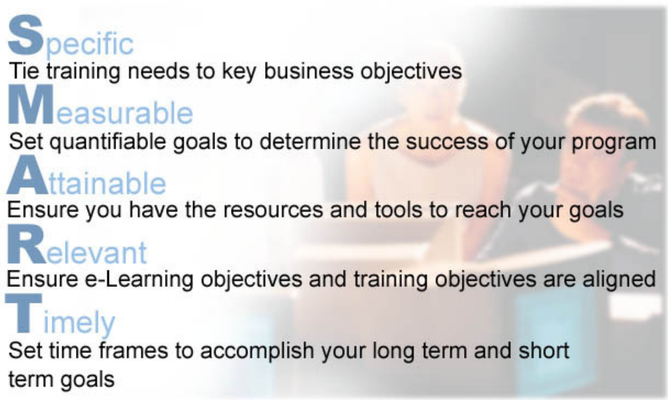
NOTE: Most organizations operate on a "quarterly" calendar, set quarterly performance goals, publish quarterly numbers, etc. If your organization functions in this way it is a good idea to set up your data collection and reporting timetables to follow this same timing. By doing so, you ensure that your efforts always remain in line with changing organizational goals and focus. Details on establishing a measurement plan are outlined in step six.

Step 3: Establish the Desired Business Outcomes with Success Criteria

After you have determined the business need and the anticipated impact, you will need to define the desired outcomes. Desired outcomes are what you and the stakeholder expect to accomplish from the implementation of the learning solution.

What is the stakeholder's definition of success? Setting success criteria is the best way to ensure that your business outcomes are well articulated. A common thread in success criteria is a link back to the business driver. In turn, the success criteria will drive your measurement plan and reporting requirements.

The criteria must be ***quantified*** in order to be measureable. Consider using the **S.M.A.R.T.** model to validate your success criteria:



Your SkillSoft Account Consultant will also ask you about the success criteria. The Account Consultant can help you in validating that your criteria meets the five characteristics illustrated above and work with you if elements might be missing.

SkillSoft is committed to partnering with you to facilitate the achievement of the success criteria. In fact, the program reviews you have with the SkillSoft team will focus considerable time on this very subject.

Understanding the Levels of Evaluation

It might also be appropriate to identify the level of evaluation you intend to pursue when you specify your success criteria. The following table describes the focus of evaluation at each level:

Level of Evaluation	**Focus**
Level 5: Return on Investment	Focus is on the monetary return on investment from the completion of the learning solution with a comparison of the solution's cost to the solution's benefits.
Level 4: Business Impact	Focus is on the specific change in business result of the participants' application of the learning.
Level 3: Job Application and/or Implementation	Focus is on the participants' behavior that must change as the knowledge and skills are applied following the learning solution.
Level 2: Learning	Focus is on the specific knowledge, skill(s), and/or attitude(s) to be developed/learned by the participants.
Level 1: Reaction and/or Satisfaction	Focus is on a specific level of satisfaction and reaction to the learning solution.

(Adapted from Jack J. Phillips/Ron Drew Stone, How to Measure Training Results, McGraw-Hill, 2002, p 4, 38)

Value Measurement Toolkit

SkillSoft has defined a Value Measurement Process as a nine step method beginning with building partnerships with stakeholders and understanding their business needs, and ending with ROI calculation and results reporting. The toolkit is especially helpful if you are planning to measure at levels four and five. Many of the tactics outlined in the Value Measurement Process are represented in this six-step model. Therefore, proceeding through this methodology will help set the stage for using the Value Measurement Toolkit.

The SkillSoft Value Measurement Toolkit and relevant articles available on the SkillSoft Client Community at http://community.skillsoft.com/support-tools/industry_information/value_roi.asp. Your SkillSoft Account Consultant can also provide guidance in these matters.

The following list of examples can help you define appropriate success criteria. Remember to refer back to the business drivers and needs you identified in the first two steps and ensure that each item includes a measurement component.

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Sample Success Criteria

Business Driver	Success Criteria	Criteria Measurement	Level
Reduce training costs and leverage learning options more effectively	e-Learning adoption	25% of potential audience of 3500 completes one course and instructor led enrollments decrease by 50% by Dec. 31st resulting in $50,000 in savings	5*
Eliminate bottlenecks	Order process efficiency	Reduce the number of errors and re-orders 22% by April 27th through "Project Stride"	4*
Reducing staff requirements	Contractor engagements	Eliminate the need for 3 contractors by March 22nd by improving the productivity of the engineering staff by 40%	4*
Adopt e-Learning as a viable alternative/complement to classroom instruction	Learner satisfaction	Positive feedback on e-Learning as a learning modality with a >70% approval rating	1
Improve knowledge of workplace diversity issues	Effectiveness of instruction	Improvement in scores between pre-assessment and mastery assessment for the 2 required diversity courses by end of the fiscal year	2
Improving levels of customer service	Transfer of knowledge and/or skill back to job	Team Lead observation evaluations achieve an average of >80% rating by January 1st	3
Improving employee morale	Employee satisfaction survey	An average of >75% rating on the morale-related questions in the satisfaction survey by the end of third quarter	4*

* Examples where the SkillSoft Value Measurement Toolkit may be helpful

You may use the chart below to document your success criteria:

Business Driver	Success Criteria	Criteria Measurement	Level

Step 4: Determine the Necessary Behavioral Changes

Consider the following observations:

- "Our production people need to work smarter and harder."
- "Everyone needs to become more focused on our customers."
- "Managers need to empower their people."

What does each of these actually mean in terms of human performance? What must operators and technicians actually do differently in order to work "smarter and harder"? What about customer service personnel—what must they do differently if they are to be "more focused on the customers"? What must managers and employees do better and differently in the future if people are to be "empowered"?

In the previous sections, you identified the business need, and you know your desired business outcomes. Now you are ready to determine HOW to impact the business need.

Reengage your stakeholder and define what needs to happen to achieve the desired outcomes in highly specific terms. For example, it could be to improve cycle time, quality, and operational costs resulting in $300,000 or more in total benefits through cost savings and other improvements. However, what does that mean in terms of "how"? Does it mean that associates need to stop taking too many breaks during the day? Or are your associates simply not aware of how to submit suggestions for operational improvements that could save costs?

Whatever the necessary change may be, you will want it clearly stated and agreed upon by you and your stakeholder.

Use this table to record your conversation.

NOTE: Remember that the realistic behavior change that you can expect may not necessarily be your ideal behavior.

Business Need:______________________________________

Desired Outcomes: What do we expect to accomplish?	Current behavior	Ideal behavior	Realistic behavior change

Step 5: Align the Learning Solution

The next step in the process is to align learning solutions with the desired business outcomes. A good place to start is to align the content of your solution to the realistic behavior changes you identified in step four, especially if competencies have been defined. Before taking the competency approach, you should verify with the stakeholders that the competencies match the behavioral changes needed to affect improvement.

Mapping Behaviors To Learning Objectives

Take a look at your learning solution in the context of the changes that need to take place. Does the learning solution contain content that directly targets the behaviors identified to address this change? You will want to look at the learning objectives and map them to the identified outcomes required to impact the business need.

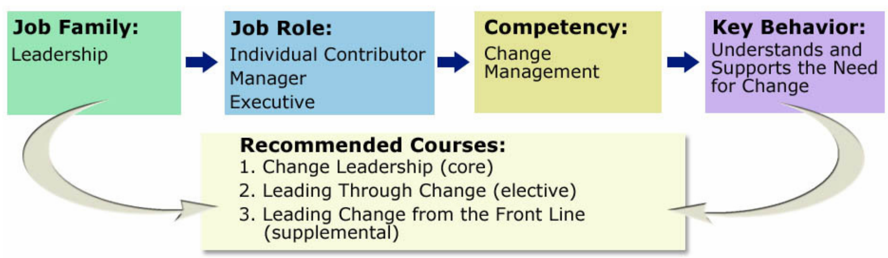
SkillSoft Mapping Resources

Where do you begin to identify what SkillSoft learning assets will help meet the objectives? SkillSoft offers a variety of beneficial resources that can help in a mapping effort.

Competency Models

It may be beneficial to refer to the competency models on the SkillSoft Client Community at http://community.skillsoft.com/support-tools/competency-models.asp.

Specifically for business or professional skills, the Universal Competency Model (UCM) can be quite an aid. The UCM aligns job families and roles to competencies and their key behaviors. Each key behavior is linked to specific SkillSoft courses.



Sorting Through the Search

Inputting keywords into the SkillPort "search and learn" can also help you begin to identify content that may map to your learning objectives. By viewing the course description and taking a look at the course, you should be able to identify a match. This method of using the search facility might also be used to identify books via Books 24x7. The description of the book and the table of contents might point you to several appropriate resources. Please note that the resources available through Books 24x7 are updated weekly. Therefore, once in place, a frequent update of your books mapping may be necessary.

What's Coming?

It is often helpful to know what courses and books SkillSoft has planned for development so that you may factor those into your map. The SkillSoft Client Community offers build plans at http://community.skillsoft.com/support-tools/order-form.asp.

If you have questions about how to relate learning objectives to SkillSoft content, your SkillSoft Account Consultant can also advise.

Use the following table to record your mapping effort:

Business Need: ____

Desired Business Outcomes: What do we expect to accomplish?	**Realistic behavior change**	**Corresponding Learning Objective**	**Course, Book or other Learning Element Containing the Objective**

Don't forget:

- Look at your desired outcomes and make sure that your learning solution will provide a relevant and enjoyable experience for your learners.
- Ensure that you have the mechanisms in place to measure against your success criteria as you identify the learning solution(s).

Step 6: Develop a Data Collection Plan

After determining your desired business outcomes and appropriate learning solution, you are ready to develop a measurement plan. Data collection is a critical piece of the process since the analysis of the resulting data will only be as good as the data itself. Part of managing the relationship with your stakeholder will involve gaining agreement on the measurement plan before you begin to execute.

Depending upon the success criteria outlined in step three, you might be measuring baseline data before the learning solution is implemented. You might also be measuring control group data - if you are isolating effects - before, during, and after the implementation.

Intervals of Data Collection

Based on the needs of your stakeholders, you will want to determine at what intervals along the way you will collect data to analyze; especially if you will be measuring ongoing ROI.

Think about the change you are trying to implement - what is a realistic timeframe for changes to become apparent? Once you determine this timeframe, you will be able to set your first interval. You should then set regular intervals after that to re-evaluate, re-survey, etc. A good rule of thumb is to set data collection intervals at every quarter or every 6 months.

Data Collection Method

Data sources are the individuals or systems that will provide you with the data you need to evaluate your progress toward your measurement and, ultimately, your success criteria. These individuals could be the students, participants completing a survey (such as supervisors), the company controller (for providing historical revenue information), etc. Examples of data systems might include SkillPort, call center status reports, or sales tracking software.

The following table lists the name and a description of each of the reports available in SkillPort. SkillPort reports can often be used when seeking level one or level two results.

Report Title	Description
Full Course Listing Report	Lists all available courses
Course Completion Report	Lists courses completed during specified date range
Custom Report	Generates report based upon specified options
User Activity Report	Displays activity report for all users
Course Activity Reports	Displays activity for a set of courses
Executive Overview Report	Displays a summary of user and usage statistics for a specified date range
Course Utilization Report	Displays overall usage statistics for all courses
User Listing by Group Report	Lists all groups and users
Course Evaluation Report	Generates course evaluation report based upon specified options
Non-Participating Users Report	Lists all users having no course activity

Beyond the SkillPort reports, Appendix A provides a list of common data collection techniques and notes the appropriate evaluation level for each. This is by no means an exhaustive list. Remember to choose the evaluation technique(s) best suited to what you are measuring and your stakeholder expectations.

You may use the following table to document your data collection plan:

Business Need	**Success Criteria**	**Data Collection Intervals**	**Data Sources**	**Responsible Party**	**Distribution Method**

Appendix A: Data Collection Techniques

NOTE: Level 5 is not included in this table since Level 5 is a calculation based on data collected at Level 4.

Data Collection Technique	Definition	Level 1	Level 2	Level 3	Level 4
Questionnaires	Questions posed to appropriate data sources based on Level of Evaluation. Questionnaire may request an opinion and also may cover a variety of other issues using different types of questions.	✓		✓	✓
Attitude Surveys	A survey is a specific type of questionnaire that solicits opinions, beliefs, and/or values.			✓	
Control Groups	A control group does not receive the training. The group that receives the training is called the experimental group. The use of a control group provides evidence that a change has taken place and eliminates the factors other than training that could have caused the observed changes to take place. The difference in learning, behaviors, and/or performance can be attributed to the learning solution. Control groups can also be used to isolate the effects of the learning solution.		✓	✓	✓
Interviews	Interviewing appropriate data sources based on Level of Evaluation: One-on-one, focus group, telephone.	✓		✓	
Formal Tests	Mastery assessments of content allowing for pre and post test comparisons of knowledge, skills, and/or attitudes.		✓		
Job Simulation	Application of a procedure or task that simulates the work involved in the learning solution, representing the actual job situation as closely as possible.		✓		
Exercises/Activities	Application of knowledge, skills and attitudes in activities/exercises in which issues or problems must be explored, developed, or solved.		✓		
Self Assessment	Participants assess their acquisition of skills, knowledge, and/or attitudes.		✓		
Trainer Assessment	Trainer/facilitator assesses the learning that has taken place based on participants' demonstration of acquired skills, knowledge, and/or attitudes.		✓		
Observations on the job	Checking which behaviors are used and how often.			✓	
Focus groups	Group discussion on impact of learning solution on participants' behaviors. Works best with soft-skill data.			✓	
Assignments	Participant is instructed to apply skills,			✓	✓

Data Collection Technique	Definition	Level 1	Level 2	Level 3	Level 4
related to learning solution	knowledge, and/or attitudes to meet a goal or complete a particular task or project by a determined date.				
Action Planning/ Improvement Plans	Participant develops detailed steps to accomplish specific objectives related to the learning solution including a date when the objectives will be completed.			✓	✓
Performance Contracting	Variation on Action Planning where pre-solution commitments are made between the participants, trainer, and/or supervisor of the participant. In this case, the action plan becomes a performance contract meaning there is a contract to improve performance.			✓	✓
Follow-up Session	Multiple sessions are delivered during and/or after the deliver of the learning solution where participants report what they have accomplished and what results they have realized.			✓	✓
Performance Monitoring	Monitoring organization business performance data to track performance data in areas such as output, quality, costs, customer satisfaction, time allocated to activities, etc.				✓

(Adapted from Jack J. Phillips and Ron D. Stone, How to Measure Training Results, New York, NY: McGraw-Hill, 2002, page 73 - 175 and from Donald L. Kirkpatrick, Evaluating Training Programs, The Four Levels, Second Edition, San Francisco: Berrett-Koehler Publishers, 1998, page 25 – 66.)

Data collection techniques should be explored with all learning solution stakeholders to assess the feasibility as well as stakeholder acceptance. Please see these above resources for more information on Data Collection Techniques.